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THE AGRICULTURAL OUTLOOK FOR 1940
(Meat Animals; Dairy and Poultry Products; Potatoes; Rice; Tobacco)

A radio discussion between E. J. Rowell and Forney Rankin, both of the U. S. Department of Agriculture, presented over the National Farm and Home Hour, through the facilities of the National Broadcasting Company, November 10, 1939.

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RANKIN:

On Monday, Tuesday and Wednesday of this week we have brought you a series of discussions based on the 1940 Outlook reports as issued by the Department of Agriculture. Today we present another in this series, and again here is E. J. "Mike" Rowell to bring us the highlights of the reports. Today "Mike" will report on meat animals and meats, dairy and poultry products, and some other commodities.

ROWELL:

Taking things in that order, here's the outlook on meat animals and meats. Total meat production in the United States next year will be larger than it was during 1939, and probably the largest since 1924. The total slaughter - under Federal inspection - may be 8 or 9 percent bigger than this year. That's on a dressed-weight basis. The number of cattle on farms at the beginning of 1940 will probably be close to the peak and larger than the average of the last 20 years.

RANKIN:

What about hogs?

ROWELL:

More in 1940 than this year, but the increase won't be as big as this year over last year. In view of the liberal quantity of feed available, a moderate increase in the number of pigs raised in 1940 is expected.

RANKIN:

And that brings us to sheep and lambs. What's the outlook?

ROWELL:

The trend in numbers of sheep is expected to be moderately upward during the next few years. The number of stock sheep -- sheep kept for breeding -- on farms at the first of next year will be about the same as at the first of this year. The number of lambs on feed -- to be sent to market -- will be much larger in the Corn Belt, but this will be partly offset by smaller numbers fed in the Western States.

RANKIN:

Consequently, unless we get another severe drought, meat production during the next few years will probably be heavier than it was this year. Now what about the consumer demand for meats?

ROWELL:

Homemakers as a group will probably have more money to spend for meat next year than they did this year. This statement is based on the expected rather substantial increases in industrial activity and in consumers' incomes.

RANKIN:

Will foreign demand for meats hold up?

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ROWELL:

Yes, it's expected to be stronger in 1940 than it was this year.

RANKIN:

Anything on prices?

ROWELL:

Economists of the Department expect that the increased demand for meats will at least partially offset the increase in slaughter supplies.

RANKIN:

Now, what can you tell the poultrymen to help them with their plans for the coming year?

ROWELL:

The outlook is for a somewhat smaller hatch in 1940 than the large hatch this year. But more poultry probably will be sent to market during the first half of next year, because of the large number of chickens and turkeys hatched this year. The reverse will probably be true during the latter part of 1940.

RANKIN:

How about fall and winter broiler production?

ROWELL:

A new record production of fall and winter broilers, unless feed prices go up more than now expected. If production increases as now indicated, the situation is likely to be less favorable for the poultryman in this phase of the business.

RANKIN:

Next, and probably one of the most important items - poultry prices.

ROWELL:

The outlook for poultry prices is less favorable this fall and winter than a year ago. But next spring a better demand may offset the larger marketings, and the smaller marketings next fall will probably tend to increase prices as compared with this fall.

RANKIN:

So much for poultry prices -- What about egg prices?

ROWELL:

Egg prices, too, are expected to remain less favorable from the poultryman's point of view - for the rest of this year. Again, the increase in the consumer's ability to buy is expected to more than offset any increased production of eggs during 1940, unless weather conditions this winter are unusually mild.

RANKIN:

And now what about turkeys?

ROWELL:

Well, according to this report, it looks as though turkey growers wouldn't raise quite as many turkeys as this year. This year's turkey crop is estimated to

be about 22 percent above last year, and 15 percent above the previous high record.

RANKIN:

But, what about turkey prices?

ROWELL:

This fall they will probably be less favorable to producers than they were last year.

RANKIN:

Well, Mike, that seems to cover the highlights of the reports on meat animals, meats, poultry and eggs. Dairy products just naturally come to mind. Is that outlook report next?

ROWELL:

That's right, -- dairy products. And this report tells us that the number of dairy cows -- and I'm referring particularly to milk cows -- is expected to increase more rapidly during the next 2 years than it has during the past 2 years. Most of the increase will be in the Northeast, around the Great Lakes, and in the Corn and Cotton Belts. Probably the biggest increase during the next few years will be in the northern dairy regions.

RANKIN:

What about over a longer period?

ROWELL:

Then -- the biggest increase is expected in the Corn Belt and Cotton Belt.

RANKIN:

Is milk production likely to hold up?

ROWELL:

Yes, it's expected that milk production will be about as heavy this winter as it was last. And production of other dairy products -- such as butter and cheese -- probably won't be much different next year than this year. You know, production of these products has been heavy during the last 2 years.

RANKIN:

Then it seems to me as though the dairy farmers could look forward to no lower prices than they have been getting.

ROWELL:

That's about it. This report says that dairy markets have strengthened recently because of better business, and the general rise in commodity prices. Smaller stocks of dairy products have also caused some advance in prices for dairy products.

RANKIN:

Meat, poultry, butter, and -- potatoes. How about the highlights of the outlook for potatoes?

ROWELL:

If growers get as big yields per acre next year as they've been getting for

the last 2 or 3 years, the total crop may be between 380 and 390 million bushels. And according to this outlook report, if farmers were to get parity prices for potatoes next year, they'd need a crop of only 360 million bushels.

RANKIN:

Next on the list for today, is the outlook for rice. What's the news for the rice grower?

ROWELL:

The demand for rice isn't likely to show any important pick up. Briefly, the report says -- another large carry-over of rice is in prospect for the beginning of the 1940 season.

RANKIN:

Last, but not least, for today is the outlook report on tobacco. I am certain that those of our Farm and Home Hour audience who raise tobacco know that because of the many types of tobacco grown in this country, there isn't much that we can say in a short summary. Let me suggest that you tobacco growers get a copy of the tobacco outlook from the County Agent in your county, or from your State Extension Service. But, Mike, you can give us a little on the tobacco outlook, can't you?

ROWELL:

Just a little. The heavy production and large stocks of flue-cured and Burley types will, without doubt, result in a burdensome supply on hand in 1940. But the recent referendum on production control may go a long way toward correcting the unbalanced situation in flue-cured tobacco. For most other types of tobacco, production is fairly well in line with the quantity which will be used this year. Stocks of other types are not excessive when compared with the amounts of each kind of tobacco used.

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